REMARKS

Applicant respectfully requests reconsideration of the instant application in view of the amendments, herein, and the following remarks:

The following claims are *pending*: <u>1-17 and 22</u>.

The following claims are *independent*: <u>1 and 22</u>.

The following claims have previously been *cancelled* without prejudice or disclaimer: <u>18-21</u>.

Please *add a new* claim <u>22</u> and please *amend* claim <u>17</u>; although this claim has been amended herein to provide clarification, correct typographical inaccuracies and/or informalities, and/or to better track practical/commercial implementations/practices (hereinafter "amendment," "amendments," and/or "amended"), Applicant submits that the originally filed claims are patentable and reserves the right to pursue the originally filed claims (as well as any claims dependent therefrom) at a later time and/or in one or more continuation/divisional application(s). Applicant submits that these new claim and/or claim amendments are supported throughout the originally filed specification and that no new matter has been added by way of this amendment.

Claim Rejections - 35 U.S.C. § 112

The Office Action has rejected claim 1 under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the enablement requirement. Specifically, the Examiner alleges "... pre-clearance of a ... financial transaction is unclear in the claim" and that the

"term 'pre-clearance' does not occur in the specification." (Office Action, p. 6-7, § 4). Applicant respectfully traverses this rejection, and submits that the noted claim satisfies all the requirements of 35 U.S.C. § 112, first paragraph.

Applicant submits that while the term "pre-clearance" may not be used in the specification, claim 1 is supported throughout the originally filed specification, drawings and claims. By way of non-limiting example, Applicant notes that application p. 5, ln. 6 -p. 6, ln. 8 recites "... the ITR initiator 110 (e.g., a Financial Institution employee or an automated trading system or back end system observing financial transactions or proposed financial transactions) may transmit to the ITR controller 120 information relating to a financial transaction ... ." Similarly, application p. 6, ln. 9-13 recites "... [b]efore consummating the trade, an electronic link can transmit data descriptive of the proposed transaction to the ITR controller 120 ... ." Applicant submits that at least the above noted non-limiting examples in the specification provide sufficient support and basis for the claimed "pre-clearance of a financial transaction" and that there is no requirement that the literal term appear in the specification. Applicant submits additional description and support may be found elsewhere and throughout the specification, drawings and claims.

Accordingly, Applicant respectfully submits that claim 1 satisfies the requirements of 35 U.S.C. § 112, first paragraph and requests reconsideration and withdrawal of the rejection and allowance of claim.

Claim Rejections - 35 U.S.C. § 103

The Office Action has rejected claims 1-5, 7-11 and 14-16 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Goldschmidt, US Patent No. 6,983,266 (hereinafter

"Goldschmidt") in view of Barton, US Patent Publication No. 2002/0059093 (hereinafter "Barton"). The Office Action has also rejected claims 12 and 13 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Goldschmidt, in view of Barton and in further view of Mastwyk, U.S. Patent Publication No. 2002/0091622 (hereinafter "Mastwyk"). The Office Action has also rejected claims 12 and 13 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Goldschmidt, in view of Barton and in further view of Official Notice. Applicant respectfully traverses these rejections.

Applicant maintains that the cited references (taken alone or in combination) do **not** discuss, do **not** render obvious, and are in fact <u>missing</u> at least the following elements as recited, *inter alia*, in independent claim 1:

> A processor implemented method for the facilitation of monitoring of a transaction for one or more indications of insider trading, the method comprising:
> receiving digital information related to pre-clearance of a financial transaction into a storage medium of a computer device;
> processing the received information by applying insider trading rules to determine whether the financial transaction would violate the insider trading rules;
> ... .

The Office Action asserts the above claimed elements are shown in Goldschmidt (col. 7, line(s) 58-62 and col. 12, line(s) 20-28 and 35-38). Applicant respectfully traverses the Office Action's characterization of the claim elements and the references of record and submits that the references of record, taken alone or in combination, fail to discuss or render obvious the claimed elements.

Applicant notes that in response to certain of Applicant's previous arguments, the Examiner alleges "... it is noted that features upon which applicant relies (i.e., information

related to pre-clearance of a financial transaction) are not recited in the rejected claim(s)." (Office Action, p. 5, § 3). Applicant submits that Applicant's arguments in the Amendment/Response of December 23, 2009 were substantially based on the amended independent claim 1. Applicant believes that the Examiner has not substantively considered Applicant's arguments presented in the Amendment/Response filed on December 23, 2009. Applicant notes that MPEP § 2163.06(I) states:

> The examiner should still consider the subject matter added to the claim in making rejections based on prior art since the new matter rejection may be overcome by applicant. (MPEP § 2163.06(I)).

Accordingly, Applicant respectfully requests the Examiner to substantively reconsider the pending claims and provide clarification as to how and specifically why the Examiner believes the applied references allegedly discuss or render obvious the pending claims.

Furthermore, contrary to the Office Action's assertions, Applicant maintains that Goldschmidt discusses *detecting unusual patterns in post execution market data* instead of the claimed "... receiving digital information related to pre-clearance of a financial transaction ... [and] processing the received information by applying insider trading rules to determine whether the financial transaction would violate the insider trading rules." For example, Applicant notes that Goldschmidt discusses observing turnovers and price changes in stocks wherein "[u]nusual patterns might be reflected in heavy turnover in a particular stock, or in a price change much larger than changes in other stock prices observed that day." (Goldschmidt, col. 12, lns. 38-41). Applicant further notes Goldschmidt discusses a breach that has occurred in the past wherein "[o]nce an unusual pattern is detected, if no adequate explanation is found and there appears to <u>have been</u> a breach of the ASX rules, it is reported

to the Exchange's companies division ... [w]here there appears to have been a breach of the law, the matter is reported to the federal government body ... ." (Goldschmidt, col. 12, lns. 41-51).

As such, Applicant submits that Goldschmidt's method of detecting an unusual transaction that occurred and if that transaction caused a breach is fundamentally different from the claimed "... receiving digital information related to pre-clearance of a financial transaction ... [and] processing the received information by applying insider trading rules to determine whether the financial transaction would violate the insider trading rules" as recited in independent claim 1.

Should the Examiner maintain the rejection, Applicant respectfully requests that the Examiner provide specific citations and explanations describing how each and every element of the pending claims are allegedly rendered obvious by the cited reference, providing indications of specific, alleged correspondences between claim elements and cited portions of the applied reference; more specifically, Applicant respectfully requests additional clarification as to how and specifically why the Examiner believes Goldschmidt allegedly discusses the claimed "pre-clearance of a financial transaction" recited in independent claim 1.

Similarly, Applicant submits that Barton's *method of identifying and quantifying compliance issues* fails to remedy the deficiencies identified above in Goldschmidt with regard to independent claim 1. For at least the reasons discussed above, Applicant submits that the pending rejection has mischaracterized the language of the claim elements and/or the applied references and, thus, has not established a *prima facie* case of obviousness.

Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection and allowance of the claim.

Although of different scope than independent claim 1, newly added independent claim 22 is also patentable over the references of record for at least similar reasons. For example, independent claim 22, recites, *inter alia*:

> A system for the facilitation of monitoring of a financial transaction for one or more indications of insider trading, comprising:
> receive digital information related to pre-clearance of a financial transaction into a storage medium of a computer device;
> process the received information by applying insider trading rules to determine whether the financial transaction would violate the insider trading rules ... .

Applicant submits that at least the noted claim elements of independent claim 22 are not discussed or rendered obvious by the references of record, taken alone or in combination, for at similar reasons to those discussed above identifying deficiencies in the references of record with respect to independent claim 1.

As claims 2-16 depend directly or indirectly from independent claim 1, Applicant submits that these claims are all patentable over the cited references (taken alone or in combination) for at least similar reasons as discussed above with regard to the independent claims 1.

Furthermore, Applicant disagrees and traverses the two instances of Official Notice taken in this rejection. In particular, with regard to claim 6 the Examiner asserts that "banks, brokerages and national trades are old and well known sources for securities trading." (Office Action, pg. 13, § 5). The Examiner then provides evidentiary support that states "[b]anks,

Brokerages and National trades for securities trading: 'In 1989 all insured commercial banks held $541 billion in securities ...'." (Sinkey, J.F.) (Office Action, pg. 3, § 2).

Similarly, with regard to claim 17, the Examiner asserts that "encryption, password protection, and biometric protection of secure data as well as an override capability for law enforcement agencies, administrators, and tech support personnel are old and well known in the art." (Office Action, pg. 18, § 5). The Examiner also provides evidentiary support that states "cryptographic keys for a cryptographic function are notarized by encrypting the keys ..." (Smid, US Patent No. 4,386,233, abstract) and "... [t] law enforcement entities or self-regulatory groups (to the extent required by law) ... [t]o comply with Federal, State or local laws ..." (Gramm-Leach-Bliley Act) (Office Action, pg. 2, § 2).

Applicant respectfully traverses the Examiner's taking of Official Notice and submits that the Examiner has not established that the asserted claim elements would have been well known to "one of the ordinary skill in the art, at the time of the invention" within the context to the recited claim elements. For example, claim 6 recites "... <u>the digital information is received</u> from at least one of: (i) a bank, (ii) a broker dealer, and (iii) a national trading exchange." (emphasis added). Similarly, claim 17 recites, "... <u>securing the data comprising the ... report </u>with at least one of: (i) encrypting the data, (ii) password protecting the data ... ." (emphasis added). As such Applicant submits that the Examiner has employed impermissible hindsight by merely relying on conclusionary statements and improper evidentiary support that the claimed elements allegedly "w[ere] old and well known." Further, Applicant respectfully submits the Examiner has not defined the level of ordinary skill in the art at the time the invention was made within the context of the claimed invention, much less "cast the

mind back to the time the invention was made ..., to occupy the mind of one skilled in the art"
[*W.L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 220 USPQ 303, 313 (Fed. Cir. 1983), cert. denied, 469 U.S. 851 (1984)*]. As such, Applicant submits that the Examiner has generalized the actual claim elements simply concluding that these elements are allegedly old and well known and has pointed to evidence that clearly do not apply to the context of the claimed elements. Applicant further submits that the Examiner has not established how the claimed elements would be "capable of instant and unquestionable demonstration as being well known" to one of ordinary skill in the art at the time the invention was made within the context of the claimed invention, as required per MPEP 2144.03(A) to establish a viable basis for Official Notice. Therefore, Applicant again respectfully traverses the Examiner's Official Notice (and any other instances of Official Notice in the pending Office Action) and requests that the Examiner provide explicit evidentiary support asserting that the claim element(s) is allegedly unquestionably demonstrable as being old and well known as one of ordinary skill in the art at the time of the invention would understand <u>within the context of the claimed invention</u>. (emphasis added).

Thus in addition to the submitted allowability of claims 6 and 17 as discussed above with respect to the independent claims from which they depend, Applicant submits that rejected claims 6 and 17 are also believed to be allowable for the additional reason that Official Notice has not been properly established resulting in the rejection under 35 U.S.C. § 103 not being properly founded. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejections and allowance of the claims.

CONCLUSION

Applicant asserts that the above remarks, which distinguish the claims over the cited reference(s), pertained only to noted claim element portions. These remarks are believed to be sufficient to overcome the prior art to this Office Action (and/or any previous office action(s)) (hereinafter "Office Action(s)")). While many other claim elements and/or bases for rejection were not discussed, as they have been rendered moot based on the above amendments and/or remarks, Applicant asserts that all such remaining and not discussed claim elements and/or bases for rejection, all, also are distinguished over the prior art, and Applicant reserves the opportunity to more particularly traverse, remark and/or distinguish over any such remaining claim elements and/or bases for rejection at a later time, should it become necessary. Further, any remarks that were made in response to the Office Action(s)' objection and/or rejection as to any one claim element, and which may have been re-asserted as applying to other Office Action(s) objection(s) and/or rejection(s) as to any other claim element(s), any such re-assertion(s) of remarks are not meant to imply that there is commonality about the structure, functionality, means, operation, and/or scope of any of the claim element(s), and no such commonality is admitted as a consequence of any such re-assertion(s) of remarks. Consequently, the reference(s) cited the Office Action(s) do not result in the claimed invention(s), there was/is no motivation, basis and/or rationale for such a combination of references (i.e., cited references do not teach, read on, suggest, or result in the claimed invention(s)), and the claimed invention(s) are not admitted to be prior art. Also, Applicant does not accept, admit, and/or concede to any assertions, (mis)characterizations (e.g., of claims, references, and/or otherwise), and/or Official Notice(s) in the Office Action(s). As such, Applicant does not concede that any claim element(s) have been

anticipated and/or rendered obvious by any of the cited reference(s) and/or any Official Notice in the Office Action(s). Thus, the Applicant respectfully submits that the supporting remarks and claimed inventions, claims <u>1-17 and 22</u>, all: overcome all rejections and/or objections as noted in the Office Action(s), are patentable over and discriminated from the cited reference(s), and are in a condition for allowance. Accordingly, Applicant respectfully requests reconsideration and withdrawal of the rejection(s) and/or objection(s), and allowance of all claims.

Authorization

Applicant hereby authorizes and requests that the Commissioner charge any additional fees that may be required for consideration of this and/or any accompanying and/or necessary papers to Deposit Account No. 03-1240, Order No. 17209-311CP1. In the event that an extension of time is required (or which may be required in addition to that requested in a petition for an extension of time), Applicant requests that the Commissioner grant a petition for an extension of time required to make this response timely, and, Applicant hereby authorizes and requests that the Commissioner charge any fee or credit any overpayment for such an extension of time to Deposit Account No. 03-1240, Order No. 17209-311CP1.

In the event that a telephone conference would facilitate examination of the application in any way, Applicant invites the Examiner to contact the undersigned at the number provided.

Respectfully submitted,
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